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## I. STATEMENT OF POLICY

It is the policy of the Department of Children and Family Services (DCFS) to fully adhere to all procurement -related Louisiana Revised Statutes, Executive Orders, Administrative Codes, Office of State Purchasing (OSP) Memoranda and internal mandates when procuring supplies, goods, services and equipment.

This policy establishes uniform guidelines for procurement for all state-wide departmental agencies.

## II. PROCEDURES

### DCFS Purchasing Authority and Process

#### State Contract Purchases

All departmental budget units have unlimited dollar amount for purchasing items from state contract. State contracts are bid and negotiated by the OSP. All orders issued from Louisiana state contracts should be processed through ISIS/AGPS document type Contract release Order (CRO). Follow procedures in the [ISIS/AGPS Procedure Manual Section 7](#).


#### Purchases with an Estimated Cost under \$5,000 Not on State Contract

All departmental budget units have \$5,000 purchasing authority for items that are not on state contract. No competitive bidding is required. All purchases for items that are under \$5,000 **\*must be purchased via the LaCarte Card. If a vendor does not accept the LaCarte Card then the purchase may\*\*** be processed through ISIS/AGPS document type Delegated Purchase Authority (DPA). Follow procedures in the [ISIS/AGPS Procedure Manual Section 8](#).

#### Purchases with an Estimated Cost over \$5,000 Not on State Contract

All departmental budget units must submit all purchases electronically through ISIS/AGPS to the DCFS Central Purchasing Office for processing when the estimated amount is over \$5,000 and the items for purchase are not on a competitive bid contract. Requisitions for items over \$5,000 must be submitted to the DCFS Central Purchasing Office for bidding and awarded electronically through ISIS/AGPS document type Open Market Requisition (OMR). Follow procedures in the [ISIS/AGPS Procedure Manual Section 13](#).

All emergency purchases over \$5,000 must have DCFS Central Purchasing approval prior to making the actual purchase except for those purchases listed in [Executive Order No. BJ 2010-16 Small Purchases Procedures](#).

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## Purchase Order Changes

All purchase order changes must be processed by the DCFS Central Purchasing Office.

## Purchase of Software, Software Maintenance, Hardware Maintenance and Software Support Services

The DCFS has been delegated purchasing authority of \$100,000 for the purchase of software, software maintenance, hardware maintenance and \$50,000 for software support services. All purchases shall be made in accordance with the OSP policy and procedures and mandated guidelines.

All software, software maintenance, hardware maintenance and software support services must be processed through ISIS/AGPS. For detailed guidelines refer to:

<http://www.doa.louisiana.gov/osp/agencycenter/memos/2010/OSP10-04.pdf>;

<http://www.doa.louisiana.gov/osp/agencycenter/memos/2012/OSP12-02.pdf>;

<http://www.doa.louisiana.gov/osp/agencycenter/memos/2013/OSP13-02.pdf>

## Sole Source and Proprietary Purchases


### 1. Sole Source

A Sole Source purchase is permissible only if a required item is available from a single supplier. This means the item is sold only by a single supplier, which is usually the manufacturer. If the item is manufactured by a single supplier but is sold through multiple distributors, it is a proprietary purchase.

\*All DCFS budget units must submit all Sole Source purchases electronically through ISIS/AGPS as a requisition and through ProAct as a new transmittal to the OSP for processing when the estimated amount of the Sole Source purchase is over \$5,000. Follow procedures in the [ISIS/AGPS Procedure Manual Section 8](#) for requisitions and [ProAct User Guide](#) for ProAct transmittals.

Sole Source purchases cannot be renewed without the following verification actions:

- 1) Securing new letter(s) from the vendor as sole source.
- 2) Confirming that justification(s) is still valid from the agency user.
- 3) Assuring that the vendor's(s') declaration and marketing strategy have not changed.


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All DCFS budget units must obtain and provide the following documentation through ProAct for Sole Source purchases:

- a. Sole Source justification letter and justification form from the agency signed by the Appointing Authority or his/her designee. Other approvals may be applicable depending on the agency or commodity.
- b. Sole Source letter from the vendor, on the vendor's letterhead signed by the national marketing representative (if applicable), not a sales representative, stating:
  - The unique or compatibility characteristics of the product.
  - That the vendor is the only known source for the particular product.
  - That the vendor does not sell the product through distributors.
- c. A firm, fixed price quote from the vendor.
- d. Published price list from the vendor to determine that the State of Louisiana is getting a fair price, preferably at a lower price than list price but no higher than list price. If the vendor does not have a published price list available, then a notarized letter is required from the vendor. The letter must state that the firm, fixed price quote does not exceed the published pricing or justification as to why a published price listing is not available.
- e. Other conditions that justify a purchase from a Sole Source are:
  - Where compatibility (with existing equipment such as interface requirements, connections, etc.) is the paramount consideration.
  - A sole supplier's item is needed for trial use or testing.
  - Procurement of items for resale.
  - Procurement of public utility services.
  - Registered breeding stock on a selective basis and other livestock on a selective basis with special approvals.\*\*

## 2. Proprietary Purchases

\*A proprietary purchase is similar to Sole Source in that a certain unique product is the only one that will meet the needs of the Agency, but the manufacturer has chosen to distribute the product through more than one source.

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All departmental budget units must submit all proprietary purchases electronically through ISIS/AGPS as a requisition and through ProAct as a new transmittal to the OSP for processing when the estimated amount of the proprietary purchase is over \$5,000. Follow procedures in the [ISIS/AGPS Procedure Manual Section 8](#) for requisitions and [ProAct User Guide](#) for ProAct transmittals.

Proprietary purchases cannot be renewed without first obtaining new letters from the vendor and agency to confirm that justifications are still valid and that vendor declarations and marketing strategy remain the same.

All departmental budget units must obtain and provide the following documentation through ProAct for Sole Source purchases:


- a. Sole Source justification letter and Justification form from the agency signed by the Appointing Authority or his/her designee. Other approvals may be applicable depending on the agency or commodity.
- b. Provide cost estimate (if available) from recommended vendor to include the name, address, and contact information.
- c. Approved proprietary purchases must be declared in the requisition. (Example: The solicitation has been approved as a proprietary purchase and only bidders meeting this exact specification/brand will be considered for an award).<sup>\*\*</sup>

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## Automobile Purchases

In accordance with [R.S.39:360](#) and [LAC 34:101](#) it is the mission and responsibility of DCFS to provide the most cost-effective methods of transportation while maintaining appropriate vehicle utilization for state employees who need designated types of vehicles to perform their job responsibilities. Personnel should refer to [LAC 34:103](#) for specific requirements relating to vehicle assignment, vehicle storage, vehicle operations, vehicle maintenance, vehicle disposal and commuting policies.

All automobiles must be purchased from OSP for negotiated contracts unless approval is received by the Commissioner of Administration. Contracts are usually effective October through June. DCFS personnel must follow guidelines as established by the Commissioner of Administration when purchasing automobiles. For guidelines refer to [OSP - Vehicle Guidelines/Instrns](#)

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## **Purchase of Hotel Services for Conferences, Workshops, Seminars and Training**

Three telephone bid quotes must be obtained when purchasing hotel services for conferences, workshops, seminars and training. The DCFS employee obtaining the bids must obtain the price, the hotel employee's name and the estimated date and time of the conference. All conferences purchases must be in compliance and accordance with [DCFS Policy 1-14](#).

All payments for the following commodities must be submitted to OMF Payment Management on a PMF 108 ([Adobe version/Word version](#)) in accordance with ISIS/Payment/Credit Request [DCFS Policy 1-22](#) and State Travel Guide [PPM 49](#).


- Registration fees ([DCFS Policy 1-08](#))
- Postage
- Dues
- Subscriptions
- Credit invoices
- Prepaid items (such as books and publications)
- Professional service contract (such as contract for blood testing)
- Reimbursements to employees for expenses other than travel expenses and any payments to a state agency other than Prison Enterprises

## **Fuel Provider**

Fuel provider credit cards should be utilized for all fuel purchases. If the station accepts the fuel provider but the card does not work, the store can call the fuel provider and obtain authorization. All purchases made on state gasoline credit cards must be signed by the traveler making the purchase, when applicable. The license number, unit price and quantity of the commodity purchased must be noted on the delivery ticket by the vendor, if applicable.

All vehicle repairs involving batteries, tires, windshields, and transmissions, (non - warranty items) shall be obtained through use of a state contract. See [ISIS/AGPS Procedure Manual Section 7](#) for procedures. All other vehicle repairs, not covered under manufacturer's warranty, shall be obtained through the fuel provider. Refer to vehicle and driver procedures in [DCFS Policy 1-15](#).

All purchases made with the fuel provider card must be processed for payment through ISIS/AGPS. When the invoice is received for the monthly billing cycle, payment must be processed as confirmed by the Contract Review Office (CRO) in accordance with [ISIS/AGPS Procedure Manual Section 7.2](#).

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## Cellular Service/PCS (Blackberry) Purchases

All purchases of voice and/or data cellular service for cell phones, blackberry devices and air cards must have the Appointing Authority and the Secretary of the Department's approval prior to purchase in accordance with [DCFS Policy 5-04](#).

\*All purchases of voice and/or data devices (cell phones, BlackBerry devices, air cards, iPads, and/or iPhones) must have the approval of the Appointing Authority and the DCFS Undersecretary or the DCFS Secretary prior to purchase in accordance with [DCFS Policy 5-04](#). Once approval has been granted, the DCFS Telecommunications Coordinator will complete the purchase via the LaCarte Card.

All monthly services for wireless devices are processed by DCFS Administrative Services via Integrated Statewide Information System (ISIS) by entering an order in the Advantage Financial System (AFS). \*\*

## Equipment Financing Programs

The MIPA and LEAF programs have proven to be more cost effective than traditional leases.

### A. Louisiana Equipment Acquisition Financing (LEAF) Program


LEAF is a self-administered, internally financed program established to provide state agencies the means to acquire equipment on an installment purchase basis. The financing program allocates state funds for use in financing projects. Traditionally, the LEAF Program is applied to purchases under \$100,000 although there have been exceptions. IT equipment may be purchased using the LEAF Program, but will not be considered if the total cost of the software exceeds 30% of the total project cost. The financing vendor will require verification of that fact.

Detailed instructions on how to process LEAF orders can be found at:  
<http://www.doa.louisiana.gov/osp/agencycenter/financialserv.htm>

## Small Entrepreneurship Program (Hudson Initiative)

The Small Entrepreneurship (SE) Program, also known as the Hudson Initiative, was created by Act 440 of the 2005 Regular Legislative Session. This is a goal-oriented program which encourages state agencies to contract with certified SE's, as well as encouraging contractors who receive contracts from the state to use good-faith efforts to utilize certified SE's in the performance of the contract. The Hudson Initiative is a race and gender-neutral program. The primary intent of this program is to provide additional opportunities for Louisiana-based small entrepreneurs that are certified by the Louisiana Department of Economic Development to participate in contracting and procurement with the State. The comprehensive rules governing



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the implementation of the program are located at [www.doa.louisiana.gov/osp/se/se.htm](http://www.doa.louisiana.gov/osp/se/se.htm) and [Executive Order No. BJ 2008 – 66](#). This program is under the auspices of the Division of Administration (D of A), and all State Departments/Agencies are required to participate.

DCFS budget units may purchase items with an estimated cost of less than \$5,000 without competitive bidding when purchasing from a small entrepreneurship that is registered with the Department of Economic Development. Documentation must be made in the file to confirm the cost is fair and reasonable. Any documentation must be kept according to [DCFS Policy 6-02, Retention of Departmental Records](#).

### **Louisiana Initiative for Veteran and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (The Veteran Initiative)**


The Louisiana Initiative for Veteran and Service-Connected Disabled Veteran-Owned Small Entrepreneurships, also known as the Veteran Initiative, was created by Act 167 of the 2009 Regular Legislative Session. This program encourages state agencies to use veteran and service-connected disabled veteran-owned small businesses for state procurement and public contracts. The purpose of the Veteran Initiative is to create an environment where veteran and service-connected disabled veteran-owned small businesses have an opportunity to thrive and enhance the growth and stability of Louisiana's economy. The comprehensive rules governing the implementation of the program are located at: [www.doa.louisiana.gov/osp/se/se.htm](http://www.doa.louisiana.gov/osp/se/se.htm).

The Department of Economic Development has responsibility for certifying businesses under this law, and the D of A will establish policies and procedures, develop standard contract clauses, and train state agencies on the administration of the program. The DCFS coordinator for the Veteran Initiative will be the Undersecretary. DCFS will collect and report data regarding its procurements and contracts under the Veteran Initiative to the Commissioner of Administration, who must report this information each year by January 15<sup>th</sup>.

### **Louisiana Pricing Schedules (LaPS)**

In order to ensure that the Department is a good steward of the taxpayer's money, the Office of State Purchasing issued rules for a program called Louisiana Pricing Schedules. LaPS is the acronym that will be used to describe those contracts that were established as Brand Name, LaMAS or Multi-State Contracts. This program requires all eligible users of these contracts to compare contracts and seek best value procurements where multiple contracts exist for like or similar items.

Where LaPS exist for the same or similar items or the total procurement exceeds \$25,000, all eligible users of these contracts are to obtain at least three price quotes.

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Submit the request for response to at least three (3) LaPS contract holders, whenever available, offering functionally equivalent products and/or services that will meet the Agency's need. After the responses have been evaluated, the order shall be placed with the contractor offering the best value that meets the Agency's needs. The ordering Agency should give preference to small-entrepreneurships or small and emerging businesses when two or more contractors can provide the services and/or products at the same firm fixed total price. For additional purchasing procedures refer to:

[www.doa.louisiana.gov/osp/agencycenter/memos/2008/OSP08-02.pdf](http://www.doa.louisiana.gov/osp/agencycenter/memos/2008/OSP08-02.pdf)

A listing of all contracts applicable to these new rules is maintained by the Office of State Purchasing and can be viewed at: [Welcome to the Office of State Procurement Website](#)

## Request for Proposals

The Procurement Code allows for best-value procurement through the Request for Proposal (RFP) process to obtain high technology acquisitions, complex services, and to contract with a group purchasing organization. This procurement method is used when criteria other than cost is considered in determining the best value for the state. To assist in utilizing this process, procedures, examples, exhibits, samples and attachments can be obtained at the Office of State Purchasing website: [Office of State Purchasing \(OSP\) - Request for Proposal \(RFP\)](#). For RFP procedures, refer to [DCFS Policy 1-06](#).


## Emergency Procurements

### A. Emergencies

Emergencies are to be handled in accordance with the statutes and rules and regulations [R.S. 39:1598](#) and [L.A.C. 34:1101-1111](#). The Chief Procurement Officer, or his/her designee above the level of Procurement Officer, may make, or authorize others to make emergency procurements when there exist an imminent threat to the public health, welfare, safety, or public property under emergency conditions as defined in accordance with regulations. The head of the DCFS Central Purchasing Office has the authority to approve emergencies within the Department's delegated authority.

Every effort shall be made to obtain quotations from three or more vendors when supplies, services, or major repairs are to be purchased on an emergency basis, except for standard equipment parts for which prices are established. Immediate purchasing shall be discouraged as much as is practicable. When supplies, services, or major repairs are urgently required, and time does not permit the obtaining of written quotations, the Procurement Officer may obtain quotations by telephone or otherwise, but such quotations shall be made on the relative purchase requisitions. So far as practicable, quotations shall be secured from institutions of the State as provided by law. Any offer accepted shall be confirmed in writing.



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## B. Catastrophic Emergencies

Purchases made during catastrophic emergencies may be handled without following normal purchasing procedures only when the Governor declares a state of emergency and issues an Executive Order outlining procedures to be followed.

Purchases made for such emergencies should be well documented, to include receipts, invoices, purchase orders, rental agreements, etc., which will serve as a basis for settlement of claims and will support the state's request for supplemental federal assistance.

### Violation

Any Division/Bureau/Section and/or employee found to be in violation of the procedures set forth by this policy is at a minimum, subject to reduction in authority limits and or loss of purchasing privileges. In addition, any DCFS employee is subject to [DCFS Policy 4-07 Disciplinary Corrective Actions and Separations](#).

## III. FORMS AND INSTRUCTIONS

Form PMF 108 ([Adobe version](#)/[Word version](#))  
[Form PMF 108 Instructions](#)


## IV. REFERENCES

### Definitions

**Approver** - The person that is delegated the budgetary responsibility for each purchase to ensure funding is available, purchases are for business purposes only, and the purchase is coded to the proper funding source. The ISIS/AGPS approver retrieves the electronic document, reviews it, approves or disapproves on-line.

**Delegation of Authority to State Agencies** - The State Chief Procurement Officer, Director of the Office of State Purchasing, delegates the maximum purchasing amount to each Department. All purchasing within that amount is processed through the Department. All purchases over the delegated amount are processed by the D of A, Office of State Purchasing (OSP). The State Chief Procurement Officer delegates in writing the authority to prepare and utilize specifications to purchasing agencies and using agencies for any type of supplies, services, or major repairs provided such delegations may be revoked by the chief procurement officer.

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**Integrated Statewide Information System/Advanced Governmental Purchasing System (ISIS/AGPS)** - An on-line D of A data system utilized by all departments for processing purchases and payments. DCFS personnel utilize the system to generate requisitions, confirm order documents, and indicate receipt of goods and services. The system is also utilized by the DCFS Purchasing Office to generate solicitations, price quotes, and awards. The DCFS Central Purchasing Office uses the ISIS/AGPS system to submit all purchases over the DCFS delegated purchasing authority to the Office of State Purchasing for processing.

**Office of State Purchasing (OSP)** - The Office of State Purchasing within the D of A is the governing authority over the procurement of goods, supplies, equipment and services for the State of Louisiana. The Office of State Purchasing, under the direction of the State's Chief Procurement Officer has authority to initiate rules and regulations governing the procurement, management, control and disposal of any and all goods, supplies, equipment and services. OSP considers and decides matters of policy relative to such purchases and periodically audits and reviews the implementation of rules and regulations and policy determinations. OSP bids, negotiates and awards state-wide contracts and processes all purchases over the DCFS delegated purchasing authority.

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**Requisitioner** - The DCFS employee who is responsible for preparing the electronic requisition documents and submitting them electronically through established approval processes. The requisitioner tracks the documents through the system and submits them electronically to DCFS Central Purchasing Office for processing. The requisitioner inputs information into ISIS/AGPS to process payments within the using agency's purchasing authority.

**Split Purchases** - Multiple purchases made to avoid the competitive bid process and/or the solicitation of competitive sealed bids. Split purchases are not allowed under state regulations.

#### **DCFS Policies:**

[DCFS Policy 1-06](#)


[DCFS Policy 1-08](#)

[DCFS Policy 1-14](#)

[DCFS Policy 1-15](#)

[DCFS Policy 1-22](#)

[DCFS Policy 5-04](#)

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## Manuals:

[ISIS/AGPS Procedure Manual](#)

[PPM 49, Section 1502.A.3](#)

[\\*ProAct User Guide\\*\\*](#)

## Louisiana Revised Statutes and Executive Orders:

- [R.S. 39:196 – 200](#)
- [R.S. 39:1527 – 1546](#)
- [R.S. 39:1552 – 1736](#)
- [R.S. 39:2171 – 2179](#)
- [R.S. 39:1761](#)
- [R.S. 43:1 – 34](#)
- [R.S. 43:111 – 211](#)
- [Executive Order No. BJ 2010-16 Small Purchases Procedures](#)